REMARKS

Claims 1-20 are pending in the application. By this paper, claims 1-3, 5-7, 9, 14 and 19 have been amended. Reconsideration and allowance of claims 1-20 in light of the amendments and arguments herein are respectfully requested.

Claims 1-4, 7-9 14-17, 19 and 20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. patent number 6,269,361 to Davis, et al., in view of U.S. patent number 6,119,096 to Mann, et al. ("Mann"). Claims 5 and 6 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Davis in view of Mann and further in view of U.S. patent number 6,557,007 to Pekowski, et al. ("Pekowski"). Claims 10-13 and 18 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Davis in view of Mann and further in view of U.S. patent number 5,963,924 to Williams ("Williams").

Independent claim 1

With respect to claim 1, this claim has been amended to correct minor informalities and to more clearly recite the subject matter defined by this claim. Reconsideration is respectfully requested. It is respectfully submitted that the prior art of record fails to disclose limitations of amended claim 1, including at least the following:

> ordering the search listings into a search result list in accordance with the values of bid amounts such that search listings having larger bid amounts are listed before search listings having smaller bid amounts, wherein search listings associated with advertisers whose account balances that are below threshold are ordered as if their bid amount for the search term was zero to prevent overdelivery of the search listings associated with the advertisers whose account balances are below threshold and overcharging of competing advertisers; *(emphasis added)*

According to the office action, Davis discloses a system providing a warning to an advertiser to replenish the advertiser's account before the account is suspended. Further, according to the office action, Mann discloses that the system may be arrange for automatic charges to a credit card or bank account when the balance drops below a defined threshold.

It is respectfully submitted that these prior art disclosures do not teach the invention defined by claim 1. Davis discloses ordering search listings in a search result list, ranked by bid amounts. Davis further discloses that un-bidded search listings are ordered at the bottom of the list (Davis, col. 18, lines 26-31). Davis does disclose providing a warning to the advertiser to replenish an account before the account is suspended, at column 14, lines 5-10. However, in the context of the Davis disclosure, "suspended" "mean[s] the advertiser's listings will no longer appear in search result lists," (Davis, col. 14, lines 7-8) which is a type of operation distinct from that of the method of claim 1. In the method of claim 1, the advertiser's listings appear in search result list, but they are ordered as if their bid amount was zero. In one embodiment, search listings with higher bids are ordered higher in the list, so a zero-bid search term will be ordered toward the end of the search results. Mann, from a wholly different field of endeavor, automated aircraft boarding, merely discloses automatically replenishing an account using a credit card.

These references, even if they could be combined, do not disclose ordering search listings associated with a below-threshold account balance of an advertiser as if their bid amount was zero, as recited by claim 1. Applying Mann's automatic replenishment notion to the Davis system would prevent search listings in the Davis system from becoming "suspended" and therefore not appearing in the search result list. The search listings in the Davis system modified according to Mann would continue to operate conventionally, with the search listings being order according to their bid amount. The search listings would not be "ordered as if their bid amount for the search term was zero," as recited by claim 1.

Moreover, neither Davis nor Mann acknowledges the problem solved by the invention in accordance with claim 1. As noted in the present application at page 6, lines 5-13,

> Existing account monitoring methods often result in advertisements being over-delivered and the advertiser's account being overcharged. Since advertisers may have established predetermined limits for certain charges, the search provider may not be reimbursed for the services provided to the advertiser beyond the advertiser's predetermined limit. Further, competing advertisers, which are paying for chargeable events after a competitor's limit has been reached, may be unnecessarily spending money for participation or priority placement in the search result listings if the non-paying advertiser's listing is still considered active.

Claim 1 recites that search listings of advertisers with below-threshold account balances are ordered as if their bid amounts are zero to prevent over-delivery of the search listings and overcharging of competing advertisers. This recitation is not shown, described or suggested by

Davis or Mann, which do not even recognize the problem solved by the account monitoring feature of claim 1.

Since a rejection of a claim under 35 U.S.C. § 103(a) may be maintained only if all limitations of the claim are taught or suggested by the prior art, MPEP § 2143.03, the present rejection of claim1 may not be maintained. As noted, claim 1 recites limitations not shown, described or suggested by Davis or Mann, taken alone or in combination. The office action asserts that "it would have been obvious ...to apply Mann's teaching ... for the rider to arrange for automatic charges to his credit card or bank account whenever his balance drops below zero to Davis' system in order to provide a balance against which the user can charge purchase[s], fares, minimum balance, and eliminate an overdraft." However, that is simply not how the method of claim 1 operates. Rather than overdraft protection, or protection from suspension, claim 1 provides for a different ordering of search listings in the search result list. Accordingly, the rejection is not proper.

Claim 1 has been amended at several places to correct minor errors noted during review of the claim. Similar minor amendments have been made to other claims, including changing the dependency of claim 9 from claim 3 to claim 4. No new matter is added by these amendments which are made merely in order to maintain consistency of the claims and not for any reason related to patentability. Withdrawal of the 35 U.S. C. § 103 (a) rejection of claim 1 is respectfully requested.

Claims dependent from claim 1

Claims 2-7 each recite features nowhere disclosed in the prior art of record. These features relate to several monetary balances calculated in embodiments of the invention. As explained in the present application at page 20,

> In an embodiment, several balances are determined for each account. They may include a working balance, a definitive balance, a reconciled balance, an estimated definitive balance, and a monitoring balance. If one or more of the balances exceeds a threshold, the search listing(s) associated with that account may not be included or placed in search lists generated by the search engine. For example, such a search listing may be ordered as if the respective priced amount for a given search term was zero. Alternative, the search listing may be ordered as if the respective priced amount for a given search term was above zero and below all the other non-zero priced amounts. Other consequences may also result from one or more of the balances exceeding(being above or below) a threshold.

Thus, claim 2 recites "determining a reconciled balance...and order the search listings associated with advertisers with reconciled balances that are below a reconciled threshold as if their bid amount for the search term was zero." Claims 3-7 recite other balance determinations.

The cited references fail to disclose the limitations recited by claim 2-7. These references do not disclose determination of a reconciled balance, a definitive balance, a monitoring balance or a working balance as those terms are used colloquially or in the application. Moreover, the cited references fail to provide the motivation to modify the disclosure of these references to produce the claimed invention. Withdrawal of the 35 U.S.C. § 103(a) rejections of these claims is respectfully requested.

Claims 9-13 further recite features nowhere disclosed in the prior art of record. Claim 9 recites "the definitive click charges are click charges that have passed a fraud filter." None of the prior art of record discloses a fraud filter which passes click charges as definitive click charges. The present application explains one embodiment at page 22:

> Definitive event charges for an account may be the event charges for that account after the fraud protection system has filtered out the fraudulent event charges. The fraud protection system may filter out fraudulent event charges in a multiple stage process. The fraud protection system may use a large first-in-first-out queue of prior events, for example the queue may include up to 100,000 entries in a hash table format.

The office action makes reference to Davis, col. 10, lines 1-35 as teaching this limitation. However, Davis at the noted location contains no reference to a fraud filter or definitive click charges or filtering click charges. The limitations of claim 9 are not disclosed in the cited references. Claims 10-13 are dependent on claim 9 and are allowable for the same reasons. Accordingly, withdrawal of the 35 U.S.C. § rejection of claims 9-13 is respectfully requested.

Independent claim 14

Claim 14 has been amended to distinguish the invention defined by this claim over the cited references. As amended claim 14 recites an pay for placement system that includes an account monitoring system that

> determines payment status for each account, the payment status being one of On, Near Exceed, Exceed And Off, the payment status being determined according to one or more rules including number of near exceed days allowed, a near exceed amount, number of exceed days allowed, an exceed amount, number of shutoff threshold days, and shutoff amount, the account monitoring system configured to send an automatic notification of the payment status for an account to the advertiser associated with the account

No new matter is added by this amendment. Support for this amendment may be found at page 23, lines 13-20, page 24, lines 16-20 and page 25, lines 12-25.

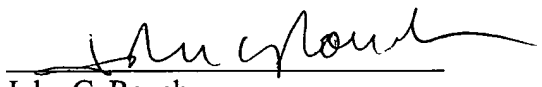
It is respectfully submitted that claim 14, as amended, defines an invention nowhere shown, described or suggested by the prior art of record. The pay for placement system of claim 14 includes an account monitoring system which includes unique features. Specified rules are evaluated for each account to determine several payment status parameters for an account. The status is then conveyed automatically to an advertiser.

Davis discloses at column 13, line 64 to column 14, line 8, that an advertiser may select options to cause the system to notify the advertiser when certain events occur, such as when the account balance has fallen below a specified level. The invention defined by claim 14 advances the concept of Davis by specifying several possible values for the payment status and a set of rules for determining the current payment status. The rules include, in one embodiment, "number of near exceed days allowed, a near exceed amount, number of exceed days allowed, an exceed amount, number of shutoff threshold days, and shutoff amount." Other rules may be substituted, but it is clear that the claimed system provides more flexibility and takes into account more factors than previous systems, so that the most accurate and reliable account monitoring information may be supplied to the advertiser, tailored to the advertiser's particular account type.

Accordingly, it is submitted that independent claim 14 as amended, includes limitations not disclosed by the cited prior art. Moreover, the cited references fail to suggest modifying their disclosure to provide the advantages and features of the claimed invention. Accordingly, claim 14 is submitted to be in condition for allowance. Claims 15-20 are dependent from claim 14 and add further limitations thereto, and are allowable for the same reasons. Withdrawal of the 35 U.S.C. § 103(a) rejection of claims 14-20 is respectfully requested.

With this response, the application is believed to be in condition for allowance. Should the examiner deem a telephone conference to be of assistance in advancing the application to allowance, the examiner is invited to call the undersigned attorney at the telephone number below.

Respectfully submitted,



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